

2020 Annual Report: Provider Reimbursement Rate Methodology Review

Pursuant to SDCL 28-22

Scheduled Year of Review	Dept	Service	SFY21 Rates	Current Methodology						Results of Analysis					
				SFY21 Budget (Total Funds)	Source Data Year	Rate Calculation - most recent data available	Total Cost to Reach 100% Methodology	General Fund Cost to Reach Methodology	Percent of Methodology Currently Paid	Year Analysis Completed	Rate Calculation	Total Cost to Reach Methodology	General Fund Cost to Reach 100% Methodology	Percent of Methodology Currently Paid	
Year 1: SFY2018	DHS	In Home Services (Homemaker / Nursing)	Nursing \$62.28 / hr Homemaker \$29.04 / hr	\$ 28,819,859	2018	Nursing \$72.08 / hr Homemaker \$31.28 / hr	\$ 4,539,724	\$ 1,879,899	92.8% 86.4%						
	DSS	In Home Services (Homemaker / Nursing)	Nursing \$62.28 / hr Homemaker \$29.04 / hr LPN \$44.55 / hr	\$ 7,770,513	2018	Nursing \$72.08 / hr Homemaker \$31.28 / hr LPN \$47.58 / hr	\$ 770,496	\$ 319,063	92.8% 86.4% 93.6%						
	DSS	Group Care	\$164.27/ day	\$ 4,458,360	2018	\$198.74 / day	\$ 606,385	\$ 606,385	82.7%						
	DOC	Group Care	\$164.27/ day	\$ 3,085,051	2018	\$198.74 / day	\$ 160,737	\$ 160,737	82.7%						
	DSS	Independent Living	\$89.03 / day	\$ 392,515	2018	\$89.43 / day	\$ 1,993	\$ 1,993	99.5%						
DOC	Independent Living	\$89.03 / day	\$ 390,796	2018	\$89.43 / day	\$ 2,002	\$ 2,002	99.5%							
DSS	Psychiatric Residential Treatment	\$258.87 / day	\$ 33,580,099	2018	\$251.28 / day	\$ -	\$ -	103%							
DOC	Psychiatric Residential Treatment	\$258.87 / day	\$ 5,777,817	2018	\$251.28 / day	\$ -	\$ -	103%							
Year 2: SFY2019	DSS	Behavioral Health- Substance Use Disorder	Outpx Counseling Ind \$24.44 / 15min Outpx Counseling Grp \$6.27 / 15min Low-Intensity Residential \$36.37 / day Low-Intensity PW \$141.21 / day Inpatient Tx \$240.65 / day PRTF \$326.72 / day Detox \$30.78 / 12 hour	\$ 27,295,429	2018	Outpx Counseling Ind \$24.32 / 15 min Outpx Counseling Grp \$6.81 / 15 min Low-Intensity Residential \$61.76 / day Low-Intensity PW \$143.87 / day Inpatient Tx \$239.02 / day PRTF \$276.75 / day Detox \$45.60 / 12 hour	\$ 1,352,822	\$ 1,352,822	100.5% 92.0% 58.9% 98.2% 100.7% 118.1% 67.5%						
	DHS	Assisted Living	\$51.26 / avg per day	\$ 17,825,256	2018	\$54.83 / avg per day	\$ 769,300	\$ 318,567	93.5%	2019	Implementation January 2021 Tier 1: \$53.75 / day; Tier 2: \$63.67 / day; Tier 3: \$73.58 / day				
Year 3: SFY2020	DSS	Behavioral Health - Mental Health	IMPACT \$79.29 / day CARE \$71.70 / day SED \$28.35 / 15 min indiv SED \$10.94 / 15 min group Psychiatry \$61.55 / 15 min CNP/PA \$55.43 / 15 min Room & Board \$17.99 / day Outpatient \$33.66 / 15 min Ind Outpatient \$17.41 / 15 min group	\$ 30,180,618	2018	IMPACT \$77.88 / day CARE \$79.98 / day SED \$31.65 / 15 min indiv SED \$20.29 / 15 Min group Psychiatry \$75.71 / 15 min CNP/PA \$68.14 / 15 min Room & Board \$91.91 / day Outpatient \$33.69 / 15 Min Ind Outpatient \$14.56 / 15 Min group	\$ 3,118,976	\$ 2,219,286	101.8% 89.6% 89.6% 53.9% 81.3% 81.4% 19.6% 99.9% 119.6%						
	DHS	Community Support Providers (CSPs)	Adult avg: \$164.68 / day Child Avg: \$246.39 / day	\$ 154,212,741	2020	Adult avg: \$171.31 / day Child Avg: \$256.32 / day	\$ 3,389,691	\$ 1,403,671	96.1%	on-going	Review is on-going but delayed due to COVID; to be completed in 2021.			On-going (a) (Not Final)	
Year 4: SFY2021	DSS	Behavioral Health - Justice Involved Populations (FFT, CBISA)	FFT \$238.75 / session CBISA \$72.21 / session	\$ 10,441,437	2019						Review is on-going, to be completed in SFY 2021				
	DHS	Nursing Homes	\$166.53 / avg per day	\$ 157,697,376	2019	\$178.80 / avg per day	\$ 12,687,070	\$ 5,253,716	93.1%	on-going	Review is on-going; Data collection in progress				

Key:

Current Methodology: Information regarding the current methodology used to calculate reimbursement rates.
 SFY2021 Budget: Total funds budget for each service.
 Source Data Year: Year of source data used to calculate rates (cost report, Medicare fee schedules, etc.).
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.
 General Fund Cost to Reach Methodology: General Fund share of Total Cost to Reach Methodology.
 Percent of Methodology Paid: Current reimbursement rates as a percentage of Rate Calculation based on most recent data available.

Results of Analysis: Information regarding proposed changes to reimbursement methodologies. Compares current rate to proposed methodology.
 Year Analysis Completed: Year the reimbursement methodology was reviewed.
 Rate Calculation: Rate calculation based on reimbursement methodology. Costs were indexed forward by CPI-U of 2.07% (SFY19), 2.07% (SFY20 est.), and SFY21 2.0% inflation est.
 Total Cost to Reach Methodology: Fiscal impact of rate calculation based on most recent utilization data available.
 General Fund Cost to Reach Methodology: General fund share of Total Cost to reach Methodology.
 Percent of Methodology Paid: Current reimbursement rate as a percentage of rate calculation.

(a) Review is still on-going to be completed by the end of state fiscal year 2021. Rates are proposed and not final.